

Message Text

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CBCLEMENTS, DIR. COMPL. DIV. OEA/BEWT

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FM SECSTATE WASHDC

TO AMCONSUL HONG KONG

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EXCON

E.O. 11652:N/A

TAGS: ESTC, HK, CH

SUBJECT: KELLY AND CO. ET AL; OEA/CD INVESTIGATIVE CASE

11(73)-29.

REF: STATE 44524

1. AFTER PRECIPITANT DEPARTURE U.S. 2/28 LEE RETURNED SIX WEEKS LATER AND VOLUNTARILY GAVE SWORN STATEMENT TO CUSTOMS INVESTIGATOR, SAN FRANCISCO.

2. SAID INVESTIGATION HIS ACTIVITIES WAS REASON HIS LEAVING FOR HONG KONG BECAUSE HE QUOTE WANTED TO CLEAR UP WHAT WAS HAPPENING OVER THERE AND I WANTED TO DISSOCIATE MYSELF UNQUOTE. LEE STATED ALL ELECTRONIC EQUIPMENT HE PURCHASED IN U.S. WAS SHIPPED PARCEL POST (WITHOUT BENEFIT OF EXPORT LICENSES) TO PATRICK CHAN, MANAGER KELLY AND CO. WHO RESOLD TO FNU CHOW OF CHI YUET CO. CHOW TOLD LEE ON PAST TRIP TO HONG KONG ALL ITEMS WERE FOR PRC AND WERE DELIVERED TO CHINA

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RESOURCES COMPANY IN HONG KONG.

3. LEE CLAIMS DIVESTED HIMSELF ALL SHARES IN KELLY AND CO.
AND SOLD THEM TO MAJORITY OWNER, ROY E. PITTMAN, V.P., CARTER SEMICONDUCTORS, HONG KONG.

4. SUBSEQUENT TO ABORTED SPERRY ELECTRONIC/LEE TRANSACTION (REFTEL, PAR.1) SPERRY INFORMED OEA/CD THAT ITS UK AGENT HAD RECEIVED INQUIRY FOR TUBES SIMILAR THOSE ORDERED BY LEE FROM CHIT YU TRADING CO., 1201-2 LI PO CHUN CHAMBERS, 185-195 DES VOEUX ROAD, HONG KONG. SPERRY DID NOT OFFER QUOTATION. INTERESTING TO NOTE CHIT YU TRADING CO. ADDRESS SAME AS KELLEY AND CO.

5. INVESTIGATION INITIATED RE NEW DEVELOPMENT WHICH, THIS STAGE, INDICATES ANNIE SUN, DBA PINOCCHIO, SAN FRANCISCO HAS PURCHASED ONE OR MORE STRATEGICALLY RATED TUBES FROM FIRMS SUCH AS VARIAN, WATKINS-JOHNSON THROUGH LOCAL DEALER(S). SUN MAINTAINS SHE ONLY DOING FAVOR FOR CHARLIE CHOW. SHE ADMITS MAILING GOODS TO HONG KONG;SHE WAS INSCRUTABLY VAGUE AS TO HONG KONG DESTINATION, ITEMS PURCHASED ETC. SHE DID RECALL CHARLIE CHOW EMPLOYED BY CHINA AIRLINES, SAN FRANCISCO INT'L. AIRPORT.

6. CHARLIE CHOW INTERVIEWED AND ALSO SUFFERING LOSS OF MEMORY RE TUBES PURCHASES. ACKNOWLEDGED HE HAS RECEIVED REQUESTS FOR ELECTRONIC ITEMS FROM BROTHER IN HONG KONG, FRANK CHOW WHO MANAGES OR OWNS CHI YUET CO.(SPELLING UNCERTAIN).

7. REQUEST CONGEN AND/OR CUSTOMS REP. ATTEMPT DETERMINE RELATIONSHIP BETWEEN KELLY AND CO., CHI YUET, CARTER SEMICONDUCTORS AND OTHERS THAT MAY INTERLOCK. EXPLORE POSSIBILITY WHETHER HONG KONG AUTHORITIES CAN ASSIST, PERHAPS, FOR EXAMPLE, PROVIDING RECORDS AS TO WHAT POSTAL SHIPMENTS,(AND FROM WHOM) KELLY AND CO. AND CHI YUET RECEIVED DURING PAST MONTHS.

8. ASAP OEA/CD WILL PROVIDE CONGEN WITH LIST OF VARIOUS ITEMS MAILED TO KELLY AND CO. AND CHI YUET TO USE IN P/S CHECKS.

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Message Attributes

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